



Senate Bill No. 107

Public Act No. 16-12

**AN ACT CONCERNING THE TREATMENT OF THE CASH VALUE
OF LIFE INSURANCE POLICIES WHEN EVALUATING MEDICAID
ELIGIBILITY.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Subsection (h) of section 17b-261 of the 2016 supplement to the general statutes is repealed and the following is substituted in lieu thereof (*Effective from passage*):

(h) To the extent permissible under federal law, an institutionalized individual, as defined in Section 1917 of the Social Security Act, 42 USC 1396p(h)(3), shall not be determined ineligible for Medicaid solely on the basis of the cash value of a life insurance policy worth less than ten thousand dollars provided [(1)] the individual is pursuing the surrender of the policy; [and (2) upon surrendering such policy all proceeds of the policy are used to pay for the institutionalized individual's long-term care.]

Approved May 6, 2016